

TRANSITIONING FROM COUNTY TO CITY

An Overview of the Unincorporated Islands Program

Welcome to the Summer 2002 issue of the Unincorporated Islands Program Newsletter! Our purpose is to keep island residents informed on island annexation activities within Orange County, answer questions regarding the Islands Program, and provide opportunities for feedback from island residents.

First things first — what exactly is the Islands Program? The Unincorporated Islands Program is a collaborative effort of the Local Agency Formation Commission (LAFCO), the County of Orange, and the League of Cities to assist in the transition of unincorporated islands from county to city jurisdiction. Assembly Bill 1555, which was recently enacted into state law, provides a streamlined annexation process for islands that are less than 75 acres in size. Approval of this state legislation provides a window of opportunity to create a more efficient method for local government to deliver public services.

Within Orange County, there are currently 50 small, unincorporated islands — pockets of territory surrounded by a city that, for a variety of reasons, never became a part of the adjoining city. They have been described as a "hole in

a donut." These islands are governed by the County and not by the city that surrounds it. This often creates inefficiencies in the delivery of local government services.

For example, cities provide a variety of local services to residents such as police and fire protection, planning, street maintenance, code enforcement, and park and recreation services. The County's primary role is to provide regional services on a countywide basis, such as courts, social services, health care, flood control, and housing and community development.

Although local services for unincorporated islands continue to be provided by the County, it is more efficient to have the surrounding cities provide services directly to the residents. In addition, this often results in a higher level of local services for the island residents when they become a part of the surrounding city.

The goal of the Unincorporated Islands Program is to annex 50 islands, which are located in 14 cities within Orange County. It is anticipated that the program will require three years to complete.



Creating Positive Change

LAFCO Chairman Peter Herzog

As Chairman of the Local Agency Formation Commission (LAFCO), I am excited to see that the Unincorporated Islands Program is underway. One of LAFCO's primary responsibilities is to coordinate logical changes in local government boundaries to ensure efficient and effective delivery of services. The Islands Program provides an opportunity for LAFCO and County staff to work directly with cities and small island residents to discuss the provision of services to their specific areas. While change can sometimes be difficult, I believe that island residents will discover that, in most cases, their adjacent city can provide local services more efficiently than the County with no increase in cost to the homeowner.

On page two of this newsletter you will find names, phone numbers and the email address of key LAFCO staff working on the Unincorporated Islands Program. They are available to help you better understand the annexation process, answer your questions or concerns, and address specific neighborhood issues within unincorporated small islands.

HOW TO CONTACT US

Orange County LAFCO

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LAFCO Staff Contacts

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LAFCO COMMISSIONERS

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Councilman, City of Lake Forrest

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Director, Santa Margarita Water District

REACHING OUT TO RESIDENTS

LAFCO Executive Officer Dana M. Smith



One of the key components of the Unincorporated Islands Program is communication. Throughout the projected three-year timeframe of the Islands Program, my staff and I will do a great deal of listening - listening to city staff, County staff and, most importantly, the island residents themselves. Typically, after an initial meeting with a city considering annexation of an unincorporated island, my staff and I will meet with the island residents in a neighborhood workshop. This gives LAFCO staff an opportunity to hear first hand the concerns, questions and comments of the affected neighborhoods. It also gives us an opportunity to explain the annexation process and dispel many of the common misconceptions about city annexations. Often, LAFCO can serve as a mediator between a County and a City in getting your specific neighborhood concerns addressed.

With the Unincorporated Islands Program now underway, we look forward to meeting many of you and hearing your thoughts and concerns. If you cannot attend a neighborhood workshop, you can also reach us by phone at (714) 834-2556 or through email at: staff@orange.lafco.ca.gov. LAFCO also maintains a website, <http://www.orange.lafco.ca.gov>, with an Islands link to provide you with the latest information, maps and dates of any scheduled meetings concerning the unincorporated islands in your area.

We hope you enjoy reading our newsletter on the Unincorporated Islands Program. We are interested in hearing your thoughts and comments. Let us know how we are doing!

Dana M. Smith

Dana M. Smith, Executive Officer
Local Agency Formation Commission

ISLAND FOCUS: Orange Islands

The City of Orange will soon file applications to annex 13 unincorporated County islands as part of the Unincorporated Islands Program. The annexation areas encompass 509 acres, are mainly located in the northwest and eastern sections of the City and are primarily established residential neighborhoods with approximately 350 homes.

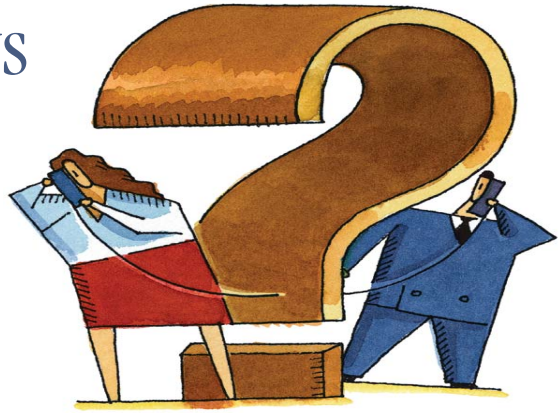
How will annexation affect island residents? In many cases, the average resident will not experience much change at all. Residents, once annexed, will begin to receive services directly from the City of Orange. For example, police and fire services will no longer be provided by the Orange County Sheriff and Orange County Fire Authority, but instead will be provided directly through the City of Orange Police and Fire Departments. In addition to faster response times, the City of Orange Police Department provides other services to residents, including vacation house monitoring and mental health services for victims of crimes and their families. Another benefit of annexation is that island residents who currently receive their water directly from the City of Orange pay a 33% higher rate for their water than do City residents. Upon annexation, that 33% surcharge goes away.

What if an island property is on a septic system? The City does not require residents to convert from a private septic system to public sewer as a condition of annexation. Residents who wish to convert would do so independently.

Many island residents have horses and chickens. What will happen with a resident's right to keep those animals after annexation? The City's zoning code allows for horses, chickens and other animals on residential property provided the lot size is at least 20,000 square feet (slightly less than 1/2 acre). The City's zoning code also includes an equestrian overlay that can be applied to lots smaller than 20,000 square feet if it is located in an area where horses are compatible with the surrounding neighborhood. LAFCO, island residents and the City of Orange staff are working together to identify and help resolve land use issues prior to annexation.

LAFCO serves as a resource for all the parties involved in annexation: the City, the County and the island residents. As the City moves forward with the annexation application process, LAFCO will continue to be available to residents as an information resource via community meetings, newsletters and website updates. LAFCO anticipates the annexations may go to hearing before the LAFCO Commission by December 2002.

FREQUENTLY ASKED QUESTIONS



1. Will annexation increase my taxes?

There is a lot of confusion about property tax assessment and fees. The most common questions we receive concern property taxes. Since the passage of Proposition 13, property taxes are fixed at a set rate. This rate does not change, and property taxes are not affected by annexation.

Some cities may have specific fees or assessments, such as a utility tax or a paramedic fee, which may not be currently charged to residents of unincorporated areas. LAFCO can provide detailed information about each city proposing annexation to let you know if any additional fees or assessments would be applicable should annexation occur.

2. How will annexation affect what I can and cannot do with my property?

Most County islands are already built-out. The land uses allowed in your island are determined by County zoning ordinances that define the land uses (e.g., residential, commercial, open space, etc.) allowed in your area. Before the territory annexes, the city must also zone the property. LAFCO will facilitate discussions with the city about resident concerns. Moreover, cities are generally sensitive to the issue of property rights and citizen desires to ensure that land uses remain in conformance with existing zoning.

Currently, permits for major improvements to your home (e.g., room additions, swimming pools, patio covers, re-roofing, etc.) must be obtained through the County's Planning & Development Services Department in Santa Ana. If your island is annexed, permits would then be issued through the annexing city's planning and building department. Often, city offices are more conveniently located to island residents.

3. Will annexation change where children go to school?

No. School boundaries are unaffected by annexation.

4. I live in an unincorporated island proposed for annexation to the City of Orange. If annexed, will my street address change?

Yes. Most County island addresses have five digits, but the City of Orange's emergency response system accepts a maximum of four digits. The City is working on a plan to change all five-digit addresses as soon as possible after annexation but also allow old addresses to

continue for a one-year period. This dual address option will allow residents ample time to inform family, friends, and creditors of an address change.

5. Why does the County want to phase out providing local services to islands?

Following the 1994 bankruptcy, the County initiated a restructuring plan of County government and assessed its approach to providing services. The analysis resulted in the determination that providing municipal, city-level services to unincorporated islands are duplicative and costly. Residents in these areas can be more efficiently served by surrounding cities. Additionally, the County wishes to continue to focus on its core business of providing regional, not local, services to all County residents.

6. Is there an opportunity to work with my surrounding city to address specific concerns and identify community benefits that might be received through annexation?

Yes. Cities and LAFCO are very interested in working with area residents to address their concerns and identify how annexation might benefit their community. LAFCO and the City will notify you by mail of meetings in your neighborhood.

7. What is Assembly Bill (AB) 1555 and how does it affect island annexations?

The State of California is encouraging cities and counties to annex inefficient urban land through Assembly Bill (AB) 1555, effective January 1, 2000, significantly streamlines the annexation process for unincorporated islands that are less than 75 acres in total area. The new legislation provides LAFCO's with the opportunity to create an efficient, master-plan process for the annexation of small, urban islands. The legislation expires on January 1, 2007.

The legislation makes the following key changes: (1) if an island annexation is initiated by city resolution, LAFCOs cannot deny the annexation; and, (2) an island annexation becomes final following the Commission's approval.

8. How will I be notified of future public hearings on island annexations?

All residents will be notified by mail about the time and location of any public meeting or workshop pertaining to their specific area. Residents who have moved within the last year should notify the City about their change of address to ensure that they are notified.

9. How can I become involved in the annexation process?

Residents may call Kim Koeppen, Orange Islands Project Manager, at (714) 834-2556 to be placed on a mailing list or for additional information.

VISIT OUR WEBSITE

<http://www.orange.lafco.ca.gov>



Anticipated Service Summary: Orange Island Annexations

	<u>Current Status</u>	<u>After Annexation</u>
Gas:	Southern CA Gas	<i>No Change</i>
Electric:	Edison	<i>No Change</i>
Police Services:	OC Sheriff's Dept.	City of Orange Police Department
Fire Protection:	OC Fire Authority	City of Orange Fire Department (\$36/year voluntary paramedic subscription fee)
Water:	SO CA Water or City of Orange Water Dept. or Orange Park Acres Mutual	<i>No Change in service provider; however, Orange Water Dept. rates are 33% lower for City residents. Following annexation, residents will see a \$10.68 bi-monthly City sanitation services fee on their water bill.</i>
Trash:	Waste Management	<i>No Change in service provider; however, the in-City rate currently is \$2.39 less/month than the County rate</i>
Sewer:	OC Sanitation District & City of Orange Public Works	<i>No Change</i>
Taxes:	1.00770 Percent of Assessed valuation	<i>No Change in property taxes due to annexation</i>
Local Representation:	Board of Supervisors Todd Spitzer, 3 rd District	Orange City Council & Board of Supervisors, Todd Spitzer, 3 rd District

LAFCO Unincorporated
Islands Program

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